



## **Department of Audits and Accounts**

270 Washington Street, S.W., Suite 4-114  
Atlanta, Georgia 30334-8400

Russell W. Hinton  
State Auditor  
(404) 656-2174

February 24, 2010

Honorable Jack Hill, Chairman  
Senate Appropriations Committee  
State Capitol, Room 234  
Atlanta, Georgia 30334

SUBJECT: Fiscal Note  
Senate Bill 385 (LC 28 5015)

Dear Chairman Hill:

This bill would increase the state's daily reimbursement rate to counties for housing state felony inmates, depending on whether counties participated in certain federal initiatives. Counties demonstrating constant use of the federal Department of Homeland Security's Secure Communities initiative would receive 110% of the usual reimbursement rate. Counties that have a memorandum of agreement with the federal government under Section 287(g) of the Immigration and Nationality Act to detain immigration offenders would receive 120% of the usual reimbursement rate. Currently, the state Department of Correction's (DOC's) reimbursement rate to counties is \$22 per day. Consequently, the increases proposed in the bill would increase this rate to \$24.20 (110% of the usual rate) and \$26.40 (120% of the usual rate).

Letter to Chairman Hill  
Senate Bill 385 (LC 28 5015)  
February 24, 2010  
Page 2

The bill's immediate fiscal impact to the state could total approximately \$916,000 annually. This is based on the increased amount of reimbursement that would be paid annually to the six counties that currently participate in either of the federal initiatives. Of these six counties, four would qualify to receive the 120% proposed rate while two would qualify for the 110% proposed rate. Multiplying each of these county's projected annual state inmate days for state fiscal year (FY) 2010 times the applicable reimbursement increase yields the total \$916,000 estimated impact.

The bill's potential fiscal impact to the state could total nearly \$5 million annually if all counties housing applicable state inmates eventually qualify for the proposed 120% reimbursement rate. This estimate is based upon multiplying the statewide FY 2010 projected annual state inmate days applicable to county reimbursement times the higher 120% proposed rate. Although all counties housing applicable state inmates may not qualify for the increased reimbursement rates, the DOC indicates that it is reasonable to assume that at least the counties that hold the majority of state inmates would seek to qualify for the higher reimbursement increase.

It should be noted that both estimates above were calculated using the assumption that the increased reimbursement would apply to the entire applicable state inmate population housed at counties, not just to state inmates who, for example, were immigration offenders at these counties. This assumption was used as the bill does not restrict the increases to any specific subset of the population of state inmates housed at counties.

Respectfully,

/s/ Russell W. Hinton  
State Auditor

/s/ Trey Childress, Director  
Office of Planning and Budget

RWH/TC/jr/bb